

Message Text

LIMITED OFFICIAL USE

PAGE 01 ROME 18565 121855Z

63

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-04 H-02 INR-07 L-03 NSAE-00

NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05 EB-07

CIEP-01 STR-04 OMB-01 CEA-01 COME-00 FRB-03 XMB-02

OPIC-03 LAB-04 SIL-01 /091 W
----- 082731

R 121811Z NOV 76

FM AMEMBASSY ROME

TO SECSTATE WASHDC 1148

INFO TREASURY DEPT WASHDC

URFHOL/AMEMBASSY BONN 7953

AMEMBASSY LONDON

AMEMBASSY PARIS

DIA WASHDC

USMISSION EC BRUSSELS

USMISSION NATO

USMISSION OECD PARIS

AMCONSUL NAPLES

AMCONSUL MILAN

USCINCEUR VAIHINGEN GER

USDOCOSOUTH FOR INTAF

LIMITED OFFICIAL USE ROME 18565

E.O. 11652: N/A

TAGS: PINT, ELAB, PINR, IT, EFIN

SUBJECT: LABOR ADOPTS SEMI-COOPERATIVE POSITION

REF: ROME 18395

1. SUMMARY: THE CCU EXECUTIVE COMMITTEE CONCLUDED WITH A SPLIT DECISION IN FAVOR OF THE "MODERATES," THE GROUP WHICH INCLUDES THE CGIL COMMUNISTS, AND THE CISL AND UIL MINORITIES. THE CCU COMMUNIQUE DECREED HANDS OFF THE WAGE ESCALATION SYSTEM, THOUGH CONCEDED THAT THE SYSTEM OUGHT TO BE MADE UNILIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 18565 121855Z

FORM; REJECTED A NATIONAL GENERAL STRIKE WHILE APPROVING A

VARIETY OF LESSER STRIKE ACTIONS; DENOUNCED THE GOVERNMENT'S INTRANSIGENCE ON THE RENEWAL OF PUBLIC SERVICE CONTRACTS; AND DECLARED LABOR'S WILLINGNESS TO DISCUSS WITH MANAGEMENT THE REDUCTION OF LABOR COSTS. END SUMMARY

2. THE EXECUTIVE COMMITTEE OF THE FEDERATION CGIL-CISL-UIL (CCU) CONCLUDED TWO FULL DAYS CONSULTATIONS WITH A PARTIAL VICTORY FOR THE OLD MODERATE COALITION WHICH INCLUDES THE CGIL COMMUNISTS. THE COMMUNIQUE, ADOPTED ALMOST UNANIMOUSLY, GAVE THE GOVERNMENT HIGH MARKS FOR SEVERAL INITIATIVES, INCLUDING THE YOUTH EMPLOYMENT LEGISLATION AND REVISIONS IN RENT CONTROLS. DENOUNCED, ON THE OTHER HAND, WAS THE ABSENCE OF OVERALL ECONOMIC PLANS FOR EMPLOYMENT AND INVESTMENTS AND, ABOVE ALL, THE NEGATIVE ATTITUDE ON RENEWAL OF PUBLIC SERVICE CONTRACTS.

3. AFTER LONG DISCUSSION, A NATIONAL GENERAL STRIKE WAS REJECTED. PREVIOUSLY ANNOUNCED STRIKES OF FOUR HOURS EACH WERE CONFIRMED IN THE PUBLIC SERVICES (NOV 23) AND FOR INDUSTRIAL WORKERS (NOV 30). OTHER REGIONAL AND "ARTICULATED" STRIKES, INCLUDING SOME ALREADY ANNOUNCED WERE ALSO APPROVED "IN ORDER TO EXERT CONSTANTIERESSURE ON GOVERNMENT AND PARTIES TO TAKE INTO ACCOUNT" THE DEMANDS OF LABOR.

4. THE INVIOABILITY OF THE WAGE ESCALATION SYSTEM AS CURRENTLY APPLIED GENERALLY IN INDUSTRY WAS FORCEFULLY RE-ASSERTED. HOWEVER, THE COMMUNIQUE CALLS FOR THE "HOMOGENIZATION" OF WAGE ESCALATION SYSTEMS -- POINTING IN - DIRECTLY, FOR EXAMPLE, AT THE MUCH MORE GENEROUS SYSTEM WHICH PREVAILS FOR BANK EMPLOYEES -- IN ORDER TO BRING ALL WORKERS ON THE SAME FOOTING.

5. THE CCU ALSO PLEDGES TO TAKE UP CONTACTS WITH THE MANAGEMENT ORGANIZATION CONFINDUSTRIA TO DISCUSS VARIOUS WAYS TO REDUCE LABOR COSTS. INCLUDED AMONG THE TOPICS ABOUT WHICH LABOR IS WILLING TO TALK ARE THE DISPOSITION OF THE SEVEN HOLIDAYS WHICH ARE TO BE REGROUPED TO REDUCE ABSENTEEISM; THE POSSIBLE STRETCHING OUT OF VACATION PERIODS; THE INTRODUCTION OF ADDITIONAL WORK SHIFTS; AND DISCUSSIONS ON SEPARATION PAY

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 ROME 18565 121855Z

AND SIMILAR SUBJECTS. FINALLY, THE COMMUNIQUE COMES OUT AGAINST ADDITIONAL PLANT-LEVEL WAGE INCREASES IN 1977, SAYING SUCH INCREASES WOULD BE "EXTRANEIOUS TO THE STRATEGY OF THE UNIFIED LABOR MOVEMENT" IN THE PRESENT ECONOMIC CIRCUMSTANCES.

COMMENT: THE MIXED NATURE OF THE CONFERENCE RESULTS ACCURATELY REFLECTS THE DIVISIONS WITHIN THE LABOR MOVEMENT WHICH, IN TURN, DERIVE FROM THE DISINCLINATION OF SIGNIFICANT PORTIONS

OF THE RANK AND FILE TO ACCEDE TO CALLS FOR AUSTERITY. AS SO
FREQUENTLY IN THE RECENT PAST, THE LABOR REPRESENTATIVES
CLOSEST TO THE GRASS ROOTS WERE THE MOST OUTSPOKEN IN DENOUNC-
ING ANY WAGE RESTRAINTS AND IN CALLING FOR A MILITANT LABOR
RESPONSE. THE FOCUS OF ATTENTION WILL NOW PRESUMABLY SHIFT
TO THE LABOR-MANAGEMENT CHANNEL. DEVELOPMENTS IN THOSE TALKS
WILL PROBABLY BE DECISIVE IN SHAPING GOVERNMENTAL POLICIES
TOWARD THE WAGE ESCALATION SYSTEM AND POSSIBLE INCREASES IN
VALUE ADDED TAXES. VOLPE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WAGES, LABOR RELATIONS, LABOR DISPUTES
Control Number: n/a
Copy: SINGLE
Draft Date: 12 NOV 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976ROME18565
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760424-0534
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761153/aaaabtwb.tel
Line Count: 124
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 ROME 18395
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 27 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <27 APR 2004 by hartledg>; APPROVED <28 JUL 2004 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: LABOR ADOPTS SEMI-COOPERATIVE POSITION
TAGS: PINT, ELAB, PINR, EFIN, IT
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006